

UTAH APPRAISER LICENSING AND CERTIFICATION BOARD

Heber M. Wells Building

Room 210

9:00 a.m.

July 13, 2017

MINUTES

DIVISION STAFF PRESENT:

Jonathan Stewart, Division Director
Mark Fagergren, Education and Licensing Director
Kadee Wright, Chief Investigator
Justin Barney, Hearing Officer
Elizabeth Harris, Assistant Attorney General
Eric Stott, Real Estate Analyst
Amber Nielsen, Board Secretary
Kendelle Christiansen, Education Coordinator
Van Kagie, Investigator
Jim Bolton, Investigator
Craig Livingston, Investigator
Faruk Halilovic, Division Staff

BOARD MEMBERS PRESENT:

Kristin Coleman-Nicholl, Chair
John E. Ulibarri, II, Vice Chair
Jim Bringham, Board Member
Jeffrey T. Morley, Board Member
Richard Sloan, Board Member*

*Arrived at 9:07 a.m

APPRAISAL SUBCOMMITTEE:

Kristi Klamet
Claire Brooks

PUBLIC PRESENT:

Michelle Andrew*
Jessica Baughman
Peter Harrison

*Appeared via telephone

The July 13, 2017 meeting of the Appraiser Licensing and Certification Board began at 8:59 a.m. with Chair Coleman-Nicholl conducting. Board Member Sloan was absent from the start of the hearing.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes – A motion was made and seconded to approve the June 28, 2017 minutes as written. Vote: Vice Chair Ulibarri, yes; Board Member Bringhurst, yes; Board Member Morley, yes. The motion carries.

Public Comment Period – No public comment was made at this time.

DIVISION REPORTS

DIRECTOR'S REPORT – Jonathan Stewart

Director Stewart reported the Appraisal Subcommittee is present and the Division has had the compliance audit. The ASC has been here since Tuesday and will speak a little bit later in the meeting. They will put out a preliminary report and the Division will have the option to respond to that preliminary report and then the ASC will issue a final report in approximately one to two months. The Division will report on those findings once they receive the final report.

Director Stewart reported last month there was a discussion on the minimum standards for AMCs. The Division has put together an initial draft following the guidelines of the AMC minimum standards. The Division provided a draft to the ASC and they will provide feedback. Director Stewart stated that to his knowledge they standards have not gone above and beyond the minimum standard. The Division is hoping to have a draft completely ready for the legislative session by fall.

ENFORCEMENT REPORT

Ms. Wright reported in June the Division received 4 complaints; opened 1 new case; closed 10 cases; leaving 35 appraisal cases open with the Division. There are a total of 6 cases now with the AG's office.

EDUCATION AND LICENSING REPORT – Mark Fagergren

Mr. Fagergren reported there was a somewhat concerning drop in the licensing statistics this month. There was a loss of 24 individuals which is troubling. Chair Coleman-Nicholl asked that the Division ask why those individuals let their licenses expire. Mr. Fagergren will try to contact those individuals.

Mr. Fagergren reported after some conversation with Board Member Morley regarding getting appraisers reviewed to sit for exams, it became apparent that, particularly in the Southern Utah area, Ms. Christiansen is having trouble finding reviewers to review applicants' work. The Division discussed adding names to the panel. Board Member Morley presented some additional ideas which might speed the process. He mentioned granting authority to the Division to allow an applicant to sit for the exam upon approval by both the education and experience review committees, instead of making those individuals wait to be approved by the Board; individuals who were denied by those

committees would continue to be presented to the Board. He also asked if there was an alternative to allow individuals to pay to have their experience reviewed by an approved agency, rather than waiting for the experience review panel. He stated often times when these are busiest in terms of appraisal volumes, that those are the times when there are more applicants. Mr. Fagergren stated historically the members of the panel are considered experts in the field. Mr. Fagergren stated that the protections which are granted to volunteers if someone were to sue would not be in place for paid individuals, according to some at the AGs office. He also stated there could be some concerns for fairness if some individuals are able to pay and others aren't. The Division will be presenting some names to be added to the panel today. The Division and Board will review the current list of panel members. Chair Coleman-Nicholl asked if there is anything in statute or rule which requires that the applicants be approved by the Board before sitting for their exams. Mr. Fagergren stated there is nothing in rule that requires that, but the Division preferred to have the decision made by the Board, especially with regards to denying an applicant. Mr. Barney stated that the Board could elect to only delegate authority to approve an applicant, and not delegate authority to deny. A motion was made and seconded to delegate authority to the Division to approve those applicants who were approved by both the education and experience review committees to sit for the exams. Vote: Chair Coleman-Nicholl, yes; Vice Chair Ulibarri, yes; Board Member Bringhurst, yes; Board Member Morley, yes; Board Member Sloan, yes. The motion passes.

Mr. Fagergren stated there is a current rule which allows a Licensed Appraiser who have renewed their license and applies to become a Certified General Appraiser within 6 months to pay a transfer fee and not have to pay the application fee but will retain the same expiration date. This only applies when going from LA to CG. Mr. Fagergren is presenting a proposal to broaden this rule to include individuals going from Licensed Appraiser to Certified Residential Appraisers as well. The Board asked Mr. Barney to draft language to present at the next meeting.

Disciplinary List for Board's Consideration
Leo F. Moisan, CR Reciprocal Application

BOARD AND INDUSTRY ISSUES

Mr. Barney reported the AMC Rules Committee has been reconvened. There will be a meeting on Wednesday.

Mr. Barney has no other rule amendments.

Kristi Klamet, a policy manager with the ASC, spoke. She introduced Clair Brooks who is also a policy manager with the ASC. Ms. Klamet briefly discussed the history and function of the Appraisal Subcommittee. Ms. Klamet briefly discussed the change in the

how report findings are sent. Ms. Klamet thanked the Division staff for being pleasant and accommodating.

Board Member Morley asked Ms. Klamet what is happening on a national level with AMC rules. Ms. Klamet stated that if AMC rules are not in place by August 2018, AMCs will not be able to perform services in that jurisdiction for federally regulated transactions. She stated states are able to opt-in to regulate AMCs at any time. She stated a lot of states already had systems in place, but there are some who are only adopting the minimum standards. She discussed the requirements. Ms. Brooks stated there were 38 jurisdictions with AMC programs, and a few of those are planning to disband their AMC program.

Ms. Klamet briefly discussed the appraiser trainee inspection requirement which was recently changed. Ms. Klamet also briefly discussed the requirement to sit for the exam.

A motion was made and seconded to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Chair Coleman-Nicholl, yes; Vice Chair Ulibarri, yes; Board Member Bringham, yes; Board Member Morley, yes; Board Member Sloan, yes. The motion passes.

CLOSED TO PUBLIC

An Executive Session was held from approximately 9:41 a.m. to 9:56 a.m.

OPEN TO PUBLIC

A brief recess was held from 9:56 a.m. to 10:01 a.m.

The meeting resumed at 10:01 a.m. for the Informal Hearing.

INFORMAL HEARING:

10:01 a.m. Jessica Baughman – Respondent
 Peter Harrison, Counsel for Respondent
 Van Kagie
 Kendelle Christiansen

The hearing for Jessica Baughman concluded at 11:06 a.m.

A motion was made and seconded to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Chair Coleman-Nicholl, yes; Vice Chair Ulibarri, yes; Board Member

Bringhurst, yes; Board Member Morley, yes; Board Member Sloan, yes. The motion passes.

CLOSED TO PUBLIC

An Executive Session was held from approximately 11:06 a.m. to 11:46 a.m.

OPEN TO PUBLIC

RESULTS OF EXECUTIVE SESSION

Carl White, Nick Lyman, and Ryan Judd were added to the Experience Review Panel.

Disciplinary List for Board's Consideration

Leo F. Moisan, CR Reciprocal Application – Approved

Ms. Baughman will be notified of the Board's decision.

A motion was made and seconded to adjourn the meeting. Vote: Chair Coleman-Nicholl, yes; Vice Chair Ulibarri, yes; Board Member Bringhurst, yes; Board Member Morley, yes; Board Member Sloan, yes. The motion passes. The meeting adjourned at approximately 11:47 a.m.